





I look forward to your timely response.

A handwritten signature in black ink, appearing to read "John E. Stone", with a large, sweeping flourish at the end.

John E. Stone  
Candidate  
Committee to Elect John Stone  
2803 Wrightsboro Road, Suite 15-351  
Augusta, GA 30909

**Attachments:**

- Financial Disclosure Report, March 26, 2014
- Federal Election Report, September 30, 2013
- Federal Election Report, March 31, 2014
- Federal Election Report, April 30, 2014
- Associated Press, Russ Bynum, March 10, 2014
- Morris News Service, Walter Jones, May 10, 2014

**NOTE:**

Original and three copies submitted May 16 via USPS certified next day mail, electronic copies submitted May 16.

I attest, under penalty of perjury, that  
Mr. John E Stone personally appeared before  
me on May 16, 2014.

Brandy H McAlexander  
Brandy H McAlexander  
Commission expires 2.4.2017





**2014 COMMITTEE INFORMATION**

C 00547158

**CANDIDATE INFORMATION**

**Name:** EUGENE YU FOR US SENATE  
**Address:** PO BOX 2000, EVANS, GA 30809  
**Treasurer Name:** Donnie Miller  
**Type:** H - House  
**Designation:** P - Principal Campaign Committee Of A Candidate  
**Party:** Republican Party

**Yu, Eugene Chin**  
**Office:** H - House  
**State:** GA, **District:** 12

**ID:** H4GA12051

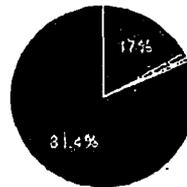
**FINANCIAL SUMMARY - EUGENE YU FOR US SENATE**

**From:** 05/15/2013 **To:** 04/30/2014

**I. RECEIPTS**

Itemized Individual Contributions	\$154,175
Unitemized Individual Contributions	\$6,786
<b>Total Individual Contributions</b>	<b>\$160,961</b>
Party Committees Contributions	\$0
Other Committees Contributions	\$0
Candidate Contributions	\$0
<b>TOTAL CONTRIBUTIONS</b>	<b>\$160,961</b>
Transfers from Authorized Committees	\$0
Candidate Loans	\$736,148
Other Loans	\$0
<b>TOTAL LOANS</b>	<b>\$736,148</b>
Offsets to Operating Expenditures	\$7,200
Other Receipts	\$0
<b>TOTAL RECEIPTS</b>	<b>\$904,309</b>

**Receipts**

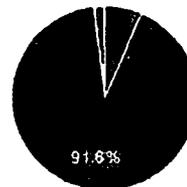


- Itemized Individual Contributions
- Offsets to Operating Expenditures
- Unitemized Individual Contributions
- Candidate Loans

**II. DISBURSEMENTS**

Operating Expenditures	\$720,447
Transfers To Authorized Committees	\$0
Candidate Loan Repayments	\$14,200
Other Loan Repayments	\$0
<b>TOTAL LOAN REPAYMENTS</b>	<b>\$14,200</b>
Individual Refunds	\$51,000
Political Party Refunds	\$0
Other Committee Refunds	\$550
<b>TOTAL CONTRIBUTION REFUNDS</b>	<b>\$51,550</b>
Other Disbursements	\$0
<b>TOTAL DISBURSEMENTS</b>	<b>\$786,197</b>

**Disbursements**



- Individual Refunds
- Operating Expenditures
- Candidate Loan Repayments
- Other

**III. CASH SUMMARY**

Beginning Cash On Hand	\$0
Ending Cash On Hand	\$89,414
Net Contributions	\$109,412
Net Operating Expenditures	\$713,247
Debts/Loans Owed By	\$281,358
Debts/Loans Owed To	\$0

**FINANCIAL SUMMARY - 2014 Pre-Primary**

From: 04/01/2014 To: 04/30/2014

<b>I. RECEIPTS</b>	<b>\$1,829</b>	<b>▲</b>
Itemized Individual Contributions	\$1,000	
Unitemized Individual Contributions	\$829	
Total Individual Contributions	\$1,829	
Party Committees Contributions	\$0	
Other Committees Contributions	\$0	
Candidate Contributions	\$0	
<b>TOTAL CONTRIBUTIONS</b>	<b>\$1,829</b>	
Transfers from Authorized Committees	\$0	
Candidate Loans	\$0	
Other Loans	\$0	
<b>TOTAL LOANS</b>	<b>\$0</b>	
Offsets to Operating Expenditures	\$0	
Other Receipts	\$0	
<b>TOTAL RECEIPTS</b>	<b>\$1,829</b>	
<b>II. DISBURSEMENTS</b>	<b>\$148,311</b>	<b>▲</b>
Operating Expenditures	\$144,311	
Transfers To Authorized Committees	\$0	
Candidate Loan Repayments	\$4,000	
Other Loan Repayments	\$0	
<b>TOTAL LOAN REPAYMENTS</b>	<b>\$4,000</b>	
Individual Refunds	\$0	
Political Party Refunds	\$0	
Other Committee Refunds	\$0	
<b>TOTAL CONTRIBUTION REFUNDS</b>	<b>\$0</b>	
Other Disbursements	\$0	
<b>TOTAL DISBURSEMENTS</b>	<b>\$148,311</b>	
<b>III. CASH SUMMARY</b>	<b>\$89,414</b>	<b>▲</b>
Beginning Cash On Hand	\$235,896	
Ending Cash On Hand	\$89,414	
Net Contributions	\$1,829	
Net Operating Expenditures	\$144,311	
Debts/Loans Owed By	\$281,358	
Debts/Loans Owed To	\$0	

COUNTY CLERK



**FINANCIAL SUMMARY - 2013 Year-End**

From: 10/01/2013 To: 12/31/2013

<b>I. RECEIPTS</b>	<b>\$330,767</b> ▲
Itemized Individual Contributions	\$36,250
Unitemized Individual Contributions	\$3,727
Total Individual Contributions	\$39,977
Party Committees Contributions	\$0
Other Committees Contributions	\$0
Candidate Contributions	\$0
<b>TOTAL CONTRIBUTIONS</b>	<b>\$39,977</b>
Transfers from Authorized Committees	\$0
Candidate Loans	\$290,790
Other Loans	\$0
<b>TOTAL LOANS</b>	<b>\$290,790</b>
Offsets to Operating Expenditures	\$0
Other Receipts	\$0
<b>TOTAL RECEIPTS</b>	<b>\$330,767</b>
<b>II. DISBURSEMENTS</b>	<b>\$278,922</b> ▲
Operating Expenditures	\$228,922
Transfers To Authorized Committees	\$0
Candidate Loan Repayments	\$0
Other Loan Repayments	\$0
<b>TOTAL LOAN REPAYMENTS</b>	<b>\$0</b>
Individual Refunds	\$50,000
Political Party Refunds	\$0
Other Committee Refunds	\$0
<b>TOTAL CONTRIBUTION REFUNDS</b>	<b>\$50,000</b>
Other Disbursements	\$0
<b>TOTAL DISBURSEMENTS</b>	<b>\$278,922</b>
<b>III. CASH SUMMARY</b>	<b>\$51,845</b> ▲
Beginning Cash On Hand	\$0
Ending Cash On Hand	\$51,845
Net Contributions	-\$10,022
Net Operating Expenditures	\$228,922
Debts/Loans Owed By	\$290,790
Debts/Loans Owed To	\$0

COUNTY NA 44001

**FINANCIAL SUMMARY - 2013 October Quarterly**

From: 05/15/2013 To: 09/30/2013

<b>I. RECEIPTS</b>	<b>\$245,698</b> ▲
Itemized Individual Contributions	\$80,898
Unitemized Individual Contributions	\$600
Total Individual Contributions	\$81,498
Party Committees Contributions	\$0
Other Committees Contributions	\$0
Candidate Contributions	\$0
<b>TOTAL CONTRIBUTIONS</b>	<b>\$81,498</b>
Transfers from Authorized Committees	\$0
Candidate Loans	\$157,000
Other Loans	\$0
<b>TOTAL LOANS</b>	<b>\$157,000</b>
Offsets to Operating Expenditures	\$7,200
Other Receipts	\$0
<b>TOTAL RECEIPTS</b>	<b>\$245,698</b>
<b>II. DISBURSEMENTS</b>	<b>\$217,000</b> ▲
Operating Expenditures	\$208,800
Transfers To Authorized Committees	\$0
Candidate Loan Repayments	\$7,200
Other Loan Repayments	\$0
<b>TOTAL LOAN REPAYMENTS</b>	<b>\$7,200</b>
Individual Refunds	\$1,000
Political Party Refunds	\$0
Other Committee Refunds	\$0
<b>TOTAL CONTRIBUTION REFUNDS</b>	<b>\$1,000</b>
Other Disbursements	\$0
<b>TOTAL DISBURSEMENTS</b>	<b>\$217,000</b>
<b>III. CASH SUMMARY</b>	<b>\$28,697</b> ▲
Beginning Cash On Hand	\$0
Ending Cash On Hand	\$28,697
Net Contributions	\$80,498
Net Operating Expenditures	\$201,600
Debts/Loans Owed By	\$149,800
Debts/Loans Owed To	\$0

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## Augusta candidate Eugene Yu took \$50,000 in prohibited donations

By Russ Bynum

Associated Press

Monday, March 10, 2014

SAVANNAH, Ga. — Running his first race for Congress, Eugene Yu found a generous supporter in his friend and fellow Augusta businessman Wayne B. Brown. Last summer and fall, Brown and his company gave the Republican candidate \$54,500 for his campaign.

The problem is that's far more cash than the \$5,200 limit one person can legally give a single candidate seeking federal office. Yu had to refund \$50,000 of the money given to his U.S. Senate campaign. He abandoned that race to run for a U.S. House seat in eastern Georgia.

"This is the first time I'm running in an election," Yu said in a phone interview Monday. "If anything, it was an honest mistake."

Fundraising reports filed with the Federal Election Commission show Yu's campaign waited three months to disclose the prohibited contributions. Instead, the campaign reported most of the cash as a \$45,000 personal loan.

"It looks more sketchy because it raises a question of whether or not the candidate was trying to conceal the contribution," said Sheila Krumholz, the executive director of the Center for Responsive Politics, a nonprofit and nonpartisan organization that tracks money in politics. "He took this large sum of money and passed it off as money from his own pocket."

Both the candidate and his donor said they weren't trying to deceive anybody. They said Brown owed Yu money for his share of a real-estate investment, and the money was deposited into the candidate's campaign account to help his largely self-funded race.

"Eugene had already paid for the property so I was reimbursing him for my share," Brown wrote in an e-mail Monday. "Since it was his money, it was deposited in the campaign account as a contribution from him which is correct but not transparent."

A political newcomer, the 58-year-old Yu of Evans remains an active player in the 2014 elections even after exiting his Senate campaign. Last week, Yu signed up for a five-way primary race for the GOP nomination to oppose Democratic Rep. John Barrow in Georgia's 12th District.

Yu's campaign could face fines if FEC auditors find there were fundraising violations. The FEC gives candidates grace periods of up to 60 days to refund or otherwise make right excessive or prohibited contributions.

Yu's campaign had most of its money from Brown for longer than that. The FEC doesn't disclose the status of investigations until they're resolved.

Yu came to the area as a teenager when his South Korean parents immigrated here. He's a former military policeman and ex-sheriff's deputy who's now retired from his now-defunct company that refurbished military trucks returning from overseas deployments. Yu also served as president of a major Korean-American lobbying association before launching his first political campaign last year.

Yu's newcomer status made him a longshot in the race for Georgia's open Senate seat, where the crowded Republican field includes three sitting congressmen. But Yu also poured more than \$447,000 of his own money into the Senate race. A continued willingness to self-finance could make him tough to ignore, even as a latecomer, in the GOP primary for Barrow's seat.

Still, Yu hasn't been terribly successful raising money from supporters. In the last six months of 2013, the

candidate raised just \$121,475 from outside donors. The \$50,000 Yu ended up returning, after reporting the money as prohibited contributions, equaled 41 cents of every dollar he raised.

Brown owns an Augusta company, WayneWorks, that manages a range of business ventures from real estate to custom embroidery services to exotic charter-boat vacations. Yu says he and Brown have been friends for 15 years or more. Spending reports show Brown is also the campaign's landlord, renting Yu space at his company's office park for \$100 a month.

Yu's fundraising reports show Brown gave his Senate campaign \$4,900 in July. Brown's wife chipped in another \$5,200. Both contributions were within legal limits. Yu's campaign disclosed them in its quarterly report filed Oct. 14.

The same fundraising report says Yu loaned the campaign \$202,000 of his own money during the same quarter from July through September. Three months later, his campaign filed an amended report that reduced the amount of Yu's personal loan by \$45,000.

What happened to that money? It showed up in the amended report as previously undisclosed contributions from Brown and his company. Brown gave the campaign \$30,000 in two different payments in August and September – putting him well past the legal donation limit. A \$15,000 contribution attributed to WayneWorks was received by Yu's campaign Aug. 19. Corporations are prohibited from giving money to individual candidates.

Yu's last Senate fundraising report, filed Jan. 30, shows Brown gave the campaign a final \$5,000 in October – bringing the total amount of prohibited money to \$50,000. The same report says Yu refunded the money on Nov. 18, nearly two months before any of the excessive donations were disclosed to federal regulators.

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## Source of Yu funds remain a mystery

By Walter C. Jones

Morris News Service

Friday, May 9, 2014 8:07 PM

Last updated Saturday, May 10, 2014 12:05 AM

**ATLANTA —** The source of funds that U.S. House candidate Eugene Yu has funneled into his campaign remain a mystery, and his campaign is not returning requests for comment.

Yu, who is in second place in the Republican race in the 12th District according to the latest poll, had loaned his campaign more than \$736,000 as of April 30. But he did not list that much in liquid assets on his personal financial disclosure, and the income from his investments are a fraction of that amount.

After declaring bankruptcy in 2007, he might not be the model applicant for a bank, although he did list bank mortgages on his home and an Atlanta condo. The residence already had a second mortgage before he started his Senate campaign and later switched to the U.S. House race in the 12th District.

"I hope that Mr. Yu will operate with full disclosure and explain how he was able to loan his campaign over \$700,000," said William Perry, the executive director of the government-watchdog advocacy Common Cause of Georgia.

Yu, reached by phone Thursday, referred all financial questions to his campaign chairman, Wayne Brown. Brown has not returned messages left Thursday and Friday at the campaign; at his corporation, WayneWorks LLC; or at the telephone number Yu supplied for him.

WayneWorks gave \$15,000 to the campaign in August even though federal law prohibits congressional candidates from accepting corporate donations. The campaign cashed the check instead of refusing it, even though it is in the same building as the company.

Federal election rules say that if a corporate gift is received, the campaign must refund it within 30 days of discovery, but the Yu campaign exceeded that period and appeared to have used the funds based on expenditures and the cash on hand at the time.

"They should have known that it was an illegal, corporate contribution," said Bryan Tyson, a campaign attorney with Strickland, Brockington & Lewis.

The campaign lists its address as the corporate offices of WayneWorks but reported only token "rent and postage" for it, even though federal candidates must pay the fair-market rate to corporate landlords to avoid accepting discounted rent as a contribution.

Brown personally contributed more than the legal limit to the campaign, and the campaign was slow in refunding him, according to his campaign reports filed with the Federal Election Commission.

Yu's financial disclosure included no more than \$50,000 in cash in a money market account.

"I think it is reason to be skeptical. If you don't have liquid assets and all of a sudden you have liquid assets," Tyson said.

Campaign finance lawyer Stefan Passantino, the head of the political law team at McKenna Long & Aldridge, notes that Yu is not required to update his personal financial disclosure form because he filed it less than 12 months ago. So there is no reason for him to disclose any personal loans he might have gotten or the source until next year.

"I don't know any facts that would indicate there was wrongdoing here," he said.

Yu has an office building on Bertram Road that he rents for \$100,000 yearly at most. The value of the building





above hereby swears under penalty of perjury that the statements and facts of the complaint are true to the best of his knowledge and belief.

*[Signature]*  
John E. Stone II July 24, 2014

Subscribed and Sworn to before me on this 24<sup>th</sup> day of July, 2014.

*Brandy H Mc Alexander*  
Notary Public

(SEAL)

**BRANDY H. MCALEXANDER  
NOTARY PUBLIC  
COLUMBIA COUNTY, GA  
COMM. EXP 2-4-2017**

**John E. Stone  
Candidate  
Committee to Elect John Stone  
4228 Match Point DR  
Augusta, GA 30909**

- Attachments:**  
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**NOTE:**  
Original and three copies submitted May 16 via USPS certified next day mail, electronic copies submitted May 16. Original and three copies of the revised complaint submitted July 24 by USPS certified mail, electronic copies submitted May 24.

**John Stone for Congress  
4228 Match Point DR, Augusta, Georgia 30909  
(706) 550-1507**

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